G. E., F. D., No. 4096/33-G, dated 12th September 1947.

Forwarded copies of the Accountant General's letter No. A.A./55, dated 16th June 1947 to all Departments of the Secretariat for information and guidance. The revised procedure whereby a demand once voted gross should continue to be so voted in future, irrespective of whether the net estimated expenditure is *minus* or *plus*, should take effect from the accounts for 1946-47. It will be necessary to enter both in the Original and Supplementary Schedules of authorised expenditure to be placed before the Legislature, estimates of gross expenditure in respect of the following major heads :—

(1) 63-Extraordinary charges,
(2) 80-Bombay Development Scheme,
(3) 81-A-Capital Outlay on Electricity Schemes,
(4) 83-Payments of commuted value of pensions, and
(5) 85-A-Capital Outlay on Provincial Schemes of State Trading.

The Appropriation Accounts in respect of the above major heads will be prepared by the Accountant General for gross grant and gross expenditure, i.e., without taking into account the receipts accounted for as reduction of expenditure. The receipts will be mentioned by the Accountant General in the notes below the appropriation accounts of respective grants.

Copy of the letter from the Accountant General, Bombay.

No. A.A./55, dated the 16th June 1947.

Subject.—Preparation of the Appropriation Accounts, 1946-47.

I have the honour to forward* herewith copies of the documents noted in the margin on the subject noted above and to point out that in paragraph 2 of his letter dated the 30th April 1947 the Auditor General has decided that a demand once voted gross should continue to be so voted in future irrespective of whether the net estimated expenditure is *minus* or *plus*. He has further stated that this procedure should be adopted in all other similar cases also, e.g. major heads (1) 63-Extraordinary Charges, (2) 80-Bombay Development Scheme, (3) 81-A-Capital Outlay on Electricity Schemes, (4) 83-Payments of Commuted Value of Pensions and (5) 85-A-Capital Outlay on Provincial Schemes connected with the War, 1939. It is, therefore, requested that demands in such cases may in future kindly be obtained for gross expenditure.

(1) This office letter No. A.A. 17, dated the 19th April 1947.

(2) Auditor General's letter No. 118-Rep/K.W.-73-46, dated the 30th April 1947.

(3) This office express letter No. A.A./28, dated the 9th May 1947.

(4) Auditor General's letter No. 149-Rep/73-46, dated the 3rd June 1947.

2. As the new procedure is to take effect from the accounts for 1946-47, the appropriation accounts of the major heads cited above for 1946-47 will be prepared for gross grant and gross expenditure, i.e., without taking

*Not printed.

into account the receipts accounted for as reduction of expenditure. The receipts will be mentioned in the notes below the appropriation accounts of respective grants.

G. C. No. P. 70-G, dated 30th December 1947.

Expenditure on salaries and allowances of Secretary of State's Officers to be treated as 'Voted' from 15th August 1947.

Prior to 15th August 1947, the salaries and allowances of the officers appointed by the Secretary of State were being treated as 'charged' on the revenues of the Province under the provisions of section 247 of the Government of India Act, 1935. That section has since been amended by the India (Provincial Constitution) Order, 1947; and the question whether expenditure in respect of such of these officers as have continued in service after 14th August 1947 should be treated as 'charged' or as subject to the vote of the Legislature, is under the consideration of Government. Pending an authoritative legal ruling in the matter, Government is pleased to direct that expenditure on salaries and allowances of such officers should be treated as 'voted' with effect from 15th August 1947. This would require the surrender of excess 'charged' grants and the making of a corresponding provision in 'voted' grants with effect from 15th August 1947.

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